# SK MILK MARKETING BOARD

# UPDATE

**February 15, 2011**

## IMPORTANT REMINDER -DESIGNATED REPRESENTATIVE FORM

**This is a reminder to licensed producers to please complete the Designated Representative Form which was included with the December, 2010 newsletter. It is important that the form is completed and returned to the Board by fax or mail by March 1, 2011.**

**These forms are required for your protection to ensure that only authorized individuals act on your behalf. This includes the authority to transfer credits and to make bids on the quota exchange. Also, only those persons authorized to vote on behalf of a licensed producer at producer meetings will have their votes recognized. Make sure that your vote counts by returning this form.**

**If you have misplaced your form, please contact the Board office. Those producers that have not returned their forms by March 1st will be directly contacted by Board staff and asked to return their forms as quickly as possible.**

**Thank you for your immediate attention and understanding.**

## FORM DEADLINES TO BE STRICTLY ENFORCED

Producers, please be reminded of the following deadlines for submitting forms to the Board office. All forms must be 100% complete to be considered. **These deadlines will be strictly enforced by the Board, no exceptions.**

When mailing, faxing or emailing forms to the Board, producers should call the Board office to ensure that their forms have been received prior to the deadline.

1. Private Quota Transfers – **forms due by 11:59p.m. on the 6th day of each month for an effective date of the 1st day of the following month. This deadline also applies to farm name changes and moving to new production facilities.**

2. Quota Exchange Bids – **forms due by 11:59p.m. on the 6th day of each month for an effective date of the 1st day of the following month**

3. Transfer Credits – **forms due by 11:59p.m. on the 20th day of each month for an effective date of the 1st day of the same month**

4. Banking Information Changes – **Producers changing bank account information must notify the Board of this change at least 7 days prior to the next producer payment date.**

## QUOTA EXCHANGE

The market-clearing price established for the February, 2011 Quota Exchange was **$27,500.00.** The results of the Quota Exchange are outlined in the following Table.

The next Quota Exchange will be held on March 15, 2011. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SMMB office by midnight, March 6, 2011. The SMMB recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange. Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange.

The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase.

## FEBRUARY, 2011 QUOTA EXCHANGE RESULTS

| | |
|---|---|
| **Market Clearing Price per kilogram of butterfat** | **$27,500.00** |
| **Daily Kilograms offered to Purchase** | **37.50** |
| **Kilograms offered to Sell** | **6.60** |
| **Kilograms sold** | **5.00** |
| **Number of Producers** | |
| **- offered to purchase** | **6** |
| **- purchased quota** | **1** |
| **- offered to sell** | **3** |
| **- sold quota** | **3** |

## FEBRUARY, 2011 QUOTA EXCHANGE CLEARING PRICE RESULTS

| Price ($/daily kg b.f.) | No. of Sellers | Cumulative Sellers | Daily Kgs b.f. offered for sale | Cumulative sales | Cumulative Sales less Cumulative purchases | Cumulative purchases | Daily Kgs b.f. offered to purchase | Cumulative Buyers | No. of buyers |
|---|---|---|---|---|---|---|---|---|---|
| 25,000 | 1 | 1 | 0.60 | 0.60 | -36.90 | 37.50 | 0.00 | 6 | 0 |
| 26,000 | 1 | 2 | 1.00 | 1.60 | -35.90 | 37.50 | 0.00 | 6 | 0 |
| 26,410 | 0 | 2 | 0.00 | 1.60 | -35.90 | 37.50 | 20.00 | 6 | 1 |
| 26,462 | 0 | 2 | 0.00 | 1.60 | -15.90 | 17.50 | 2.00 | 5 | 1 |
| 27,000 | 1 | 3 | 5.00 | 6.60 | -8.90 | 15.50 | 4.00 | 4 | 1 |
| 27,010 | 0 | 3 | 0.00 | 6.60 | -4.90 | 11.50 | 1.00 | 3 | 1 |
| 27,375 | 0 | 3 | 0.00 | 6.60 | -3.90 | 10.50 | 5.50 | 2 | 1 |
| **27,500** | **0** | **3** | **0.00** | **6.60** | **1.60** | **5.00** | **5.00** | **1** | **1** |

**TRANSFER CREDIT SUMMARY REPORT**

| MONTH | # OF PRODUCERS TRANSFER IN | # OF PRODUCERS TRANSFER OUT | TOTAL KGS BUTTERFAT |
|---|---|---|---|
| January/10 | 14 | 14 | 17,760 |
| February | 11 | 12 | 10,421 |
| March | 8 | 9 | 4,251 |
| April | 21 | 14 | 15,941 |
| May | 16 | 12 | 16,293 |
| June | 17 | 14 | 17,870 |
| July | 12 | 9 | 7,641 |
| August | 7 | 7 | 6,926 |
| September | 15 | 21 | 28,149 |
| October | 15 | 12 | 18,550 |
| November | 23 | 21 | 31,871 |
| December | 25 | 26 | 33,472 |
| January/11 | 27 | 20 | 29,306 |

**OVER QUOTA (OVER 10 DAYS) REPORT BY MONTH**

| MONTH | # OF PRODUCERS | KGS BUTTERFAT |
|---|---|---|
| January 2010 | 16 | 5,444 |
| February | 20 | 3,338 |
| March | 15 | 2,743 |
| April | 16 | 3,158 |
| May | 9 | 2,330 |
| June | 5 | 360 |
| July | 4 | 504 |
| August | 0 | 0 |
| September | 0 | 0 |
| October | 1 | 2 |
| November | 2 | 615 |
| December | 1 | 307 |
| January 2011 | 0 | 0 |

**SUMMARY REPORT OF CREDITS AS OF January, 2011 – 189 PRODUCERS**

| DAYS | # OF PRODUCERS | POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT) |
|---|---|---|
| +10 | 0 | 0 |
| + 5 to +10 | 11 | 7,707 |
| 0 to + 5 | 19 | 4,559 |
| TOTAL | 30 | 12,267 |
| **DAYS** | **# OF PRODUCERS** | **NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)** |
| -20 | 18 | -38,925 |
| -15 to -20 | 40 | -109,826 |
| -10 to -15 | 35 | -64,034 |
| -5 to -10 | 37 | -29,073 |
| 0 to -5 | 29 | -9,254 |
| TOTAL | 159 | -251,115 |

**LOST OPPORTUNITY REPORT**

| MONTH | # OF PRODUCERS | LOST OPPORTUNITY (KGS OF BUTTERFAT) |
|---|---|---|
| January, 2010 | 1 | 552 |
| February | 1 | 1,165 |
| March | 3 | 1,389 |
| April | 5 | 3,319 |
| May | 5 | 4,097 |
| June | 5 | 4,108 |
| July | 6 | 4,673 |
| August | 10 | 7,398 |
| September | 8 | 3,646 |
| October | 10 | 5,986 |
| November | 33 | 25,200 |
| December | 20 | 6,612 |
| January, 2011 | 18 | 3,201 |

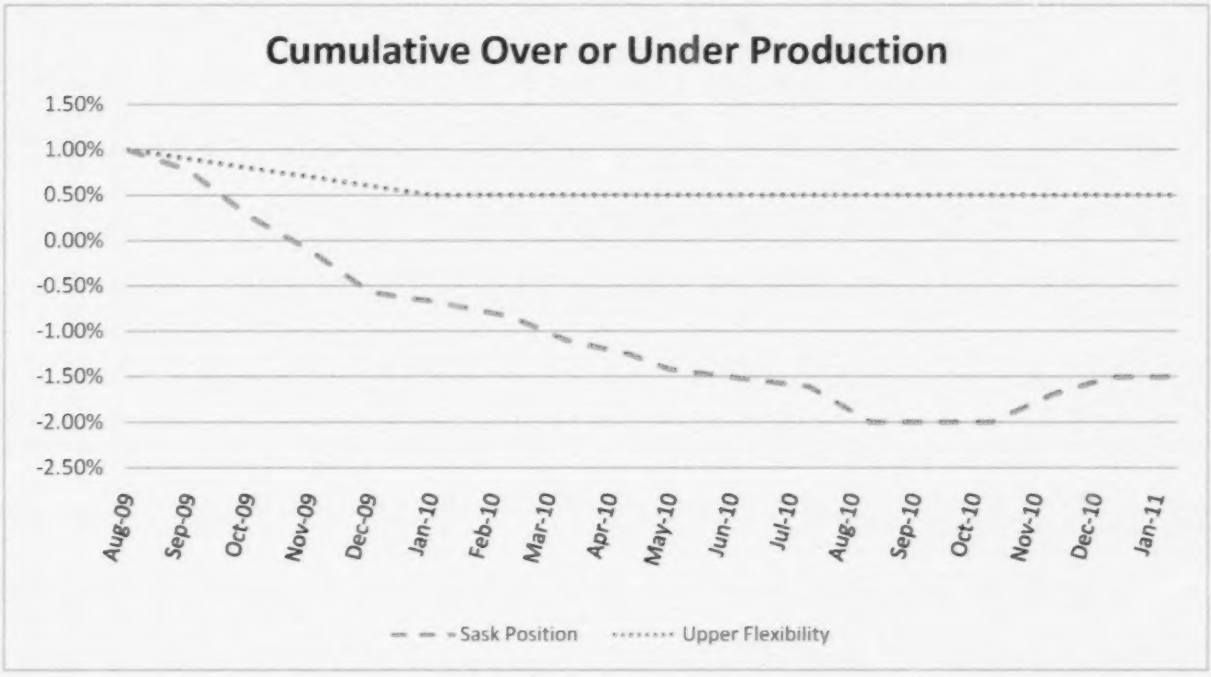
**WEIGHTED AVERAGE COMPONENT TESTS & PRICES January 2011**

| Components | Average Test | Price per kilogram Class 1 to 5 |
|---|---|---|
| Butterfat | 3.8504 | $10.914855 |
| Protein | 3.3524 | $ 7.914839 |
| Other Solids | 5.6985 | $ 1.164068 |

Based on the average component tests for the province, the average price received was $75.1938 per hectolitre. **The average butterfat price received per kilogram was $19.53.**

**SASKATCHEWAN MILK POOL RESULTS January 2011**

| | |
|---|---|
| Milk Sale Revenue | $ 14,731,962.88 |
| Western Milk Pool | $ -148,725.11 |
| Dairy Farmers of Canada Skim Off | $ - 18,225.64 |
| Plant of Last Resort Service | $ - 56,070.25 |
| **Total Pool Value** | **$ 14,508,941.88** |



In January, Saskatchewan had a monthly CDC allocation of **758,126 kilograms** of butterfat. In the month of January, Saskatchewan production was **-15,178 kilograms** of butterfat **under** and cumulatively **under** by **-130,878 kilograms** of butterfat. On a percentage basis, Saskatchewan is at **-1.50%** within our CDC allocation flexibility limits based on the Continuous Quota model. The -1.50% lower limit is in effect.

| | (1) Monthly Total Production Kgs bf | (2) Total Monthly CDC Quota Allocation Kgs bf | (3) Monthly Over or (Under) Production Kgs bf col. 1 – 2 = 3 | (4) Lower Flexibility Limit **(1.5%)** Kgs bf col. 9 * -1.5% | (5) Upper Flexibility Limit **1.0%** Kgs bf col. 9 *1.0% | (6) Cumulative Over or (Under) Production with limits Kgs bf | (7) Cumulative Over or (Under) Production with limits in % col. 6 / 9 | (8) Over Quota or (Lost Production Opportunity) Kgs bf | (9) Rolling 12 Month Total Quota Kgs bf |
|---|---|---|---|---|---|---|---|---|---|
| **Jan-10** | 718,404 | 726,215 | (7,811) | (129,294) | 43,098 | **(57,335)** | **-0.67%** | | 8,619,609 |
| **Feb-10** | 646,894 | 662,212 | (15,318) | (129,128) | 43,043 | **(72,653)** | **-0.84%** | | 8,608,523 |
| **Mar-10** | 714,037 | 735,808 | (21,771) | (128,999) | 43,000 | **(94,424)** | **-1.10%** | | 8,599,939 |
| **Apr-10** | 694,816 | 707,608 | (12,792) | (129,004) | 43,001 | **(107,216)** | **-1.25%** | | 8,600,248 |
| **May-10** | 708,117 | 722,125 | (14,008) | (128,956) | 42,985 | **(121,224)** | **-1.41%** | | 8,597,078 |
| **June-10** | 684,369 | 694,478 | (10,109) | (128,998) | 42,999 | **(131,333)** | **-1.53%** | | 8,599,843 |
| **July-10** | 697,489 | 704,201 | (6,712) | (128,936) | 42,979 | **(138,053)** | **-1.61%** | | 8,595,753 |
| **Aug-10** | 682,923 | 717,474 | (34,551) | (129,144) | 43,048 | **(172,194)** | **-2.00%** | (410) | 8,609,692 |
| **Sep-10** | 673,445 | 727,727 | (54,282) | (129,713) | 43,175 | **(172,699)** | **-2.00%** | (53,777) | 8,634,934 |
| **Oct-10** | 694,237 | 756,826 | (62,589) | (129,614) | 43,207 | **(172,830)** | **-2.00%** | (62,458) | 8,641,482 |
| **Nov-10** | 686,111 | 752,717 | (66,606) | (130,059) | 43,353 | **(146,520)** | **-1.69%** | (92,915) | 8,670,615 |
| **Dec-10** | 731,120 | 785,901 | (54,781) | (130,400) | 43,467 | **(130,400)** | **-1.50%** | (70,294) | 8,693,300 |
| **Jan-11** | 742,948 | 758,126 | (15,178) | (130,878) | 43,626 | **(130,878)** | **-1.50%** | (8,969) | 8,725,211 |

(1) Monthly Production in Saskatchewan
(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward
(3) Difference between the monthly production (1) and the total monthly quota (2)
(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)
(5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)
(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)
(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits
(8) Over Quota or (Lost production opportunity) outside of flexibility limits
(9) Total Monthly CDC Quota Allocation for the previous 12 months

**PRODUCER MEETINGS – APRIL 4, 5 & 6, 2011**

The SMMB will hold the next session of producer meetings as follows. Please mark your calendars and plan to attend. Lunch will be served at 12 noon.

| DATE | **MEETING START TIME** | DISTRICT | LOCATION |
|---|---|---|---|
| Monday, April 4 | 9:00 a.m. | Swift Current | F.O.A. Eagles<br>1910 S Service Rd. W<br>Swift Current |
| Tuesday, April 5 | 9:00 a.m. | Warman | Brian King Centre<br>202 8th Avenue N.<br>Warman |
| Wednesday, April 6 | 9:00 a.m. | Fort Qu'Appelle | Country Squire Inn<br>Luxton Room<br>Fort Qu'Appelle |

**QUOTA LISTING SERVICE**

The SMMB offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the SMMB office at (306)787-5319. All prices and negotiations will be independent of the SMMB.

**Quota & Cows wanted to Purchase**

- Wanted – cows and quota – Contact Don (306) 270-4700
- Wanted – Dairy Cows or bred heifers. Call anytime/leave message (604) 855-2731 or (306) 867-2176
- Wanted to purchase cows and quota. Contact Ken (306) 229-4591

**Quota & Cows for Sale**

- Breeding bulls available from high producing Vg/Ex dams. Call Johan de Haan @ Ostara Holsteins Ltd. (306) 778-3992 or (306) 750-7273.

**Equipment For Sale**

- New Dairymaster Parts available. Grain tank, auger and hydraulics for bale handler. Call Johan de Haan @ Ostara Holsteins Ltd. (306) 778-3992 or (306) 750-7273.

- Pasture mats for sale 4' x 7'. Contact Willie @ (306) 948-2716.

- 3000 gallon Mueller HiPerform milk tank with cooling condensers and compressor. Contact Holstein Haven Ltd. (306) 228-2921 or (306) 228-3846.

- Alfa Laval Agri Maestro Double ten milking parlor made for double seven at present. Contact Holstein Haven Ltd. (306) 228-2921 or (306) 228-3846.

- 2000 gallon Delaval tank. Call James Hein (306) 365-3209

- Like new Knight Reel – Auggie 3250 Stationary Feed Mixer with 15' Conveyer & Electronic Scale – Phone (306) 280-6408

- - manure dumplids 4' x 8' - $400 each
  - 1 – 2,000 imp. gal poly water tank - $500
  - 160 cozy cow mattresses 64" - $25 each c/w heavy duty cover
  - various swing gates 4 and 5 bar, 10 to 14 ft.
  Call Frans @ (306) 826-5776 – home or (306) 823-7262 – Cell

- 2000 U.S. Gallon Alfa-Laval Milk Tank with cooling condensers and compressors. Contact Ferch Farms (306) 736-2205.

- Dairy Equipment for Sale: 1 18" x 10' belt conveyor; 6 Waikato milk meters; 6 Delaval milk machines with vacuum pulsators; Delaval vacuum pump with 7.5 hp motor. Contact Lloyd Sawatzky, Saskatoon, SK Phone (306) 239-4818. Cell (306) 281-2247.

- 2 – 6 inch electric augers, 10 & 14ft; Harvestore, Goliath and Hercules unloaders; 6 Tru test milk meters; Surge Electrobrain parts; Mueller tank parts; Alamo 100 pump and motor. Contact Leonard Blocka (306) 764-8439 or cell (306) 960-6608.

- 16 Waikato milk meters $250 each; 5,000 gallon new Delaval bulk tank, made in U.S.A. $50,000. Contact Corman Holsteins (306) 933-4608

**Feed For Sale**

- Large round straw bales. Hague area. Can deliver. Contact Mel Foth (306) 232-3462.

- 1,400 forage hay bales for sale with test results at Ardill, SK (60 km. south of Moose Jaw). Contact Daniel Strom @ (306) 354-2635 or email dan-astrom@hotmail.com

- Pure Alfalfa hay for sale. 2010 crop – no rain. Protein 18.8 (Winnipeg test). Organic crop. Wt. average 1,650 lbs. Phone (403) 803-9117.

- 445 Alfalfa Brome Bales $60.00/ton – excellent quality; 347 medium quality $40/ton; 175 poor quality $20/ton. Phone Wayne (306) 847-4450 (home) or (306) 963-7792 (cell). Bales are located at Liberty, SK.

- Hay for sale: Alfalfa or alfalfa/grass…3,000 round bales. Contact Simon Mandel (403) 664-9525.

- 155 hard core 1000 lb bales of 95% Alfalfa for sale. 3rd year crop, no chemicals used. A bit rich for most horses and meat cattle. Good for dairy cows. Located in Bulyea, 1 hour north of Regina. Can arrange for loading. Contact Brenda @ (306) 725-3367.

- For sale: 70 second cut Alfalfa round bales. Net wrapped, no rain, 19.9 protein 1650 lbs. Call (306) 948-2395 Biggar, Saskatchewan.

- Alfalfa for sale. Contact Ron (306) 477-2570 or Ken (306) 374-8980.

- All Large square bales: Flax (awesome for wind break); Canola straw and Greenfeed. Call Jake Boot (306) 867-9926 or (306) 867-3899.

- 70 Bales 2nd cut Alfalfa RFV 150; Prot. 19.2; TON 62.8; $110/ton obo
  Phone (306) 493-2482 Delisle, Saskatchewan

- 2nd cut alfalfa round bales, net wrap. Est. 1400 lbs.; Analysis available; Protein 19.76%. Phone or fax (306) 228-3727; Unity, SK

- 6 quarters of hay/alfalfa available for long-term contract – you specify the preferred mix and handling. Ten minutes north of Estevan (306) 634-4382.

- 134 top quality 2nd cut alfalfa hay bales, very clean, all leaves intact. Call for more info. Taking offers (306) 276-2003 Nipawin

- Dairy Quality Hay 4 Sale – delivered. Contact Dale @ (204) 638-5581. Dauphin, Manitoba.

- 50 Acres Greenfeed barley for sale in Bellevue area (63 day barley seeded July 5). Fields are clean. Can sell standing or baled. Taking offers. Contact Andy Grenier at Home: (306) 423-5682 or Cell: (306) 233-7835.

**Miscellaneous**

- **KLOK HOOF CARE** is now serving southern Sask. Trained and certified at the Dairyland Hoof Care Institute and again at Iowa State University Vet School! Competitive rates! Contact William Klok @ (403) 894-9587 or klokhoofcare@gmail.com

- First year med student in Saskatoon is looking for a summer job on a dairy farm. Would prefer to stay in the Saskatoon area. Contact Taija Watson (306) 280-5332.

- **Attention: Farm Help Needed?** Actyl Group is Canada's leader in Workforce Solutions and Recruitment and Immigration. We can help solve your labour requirements through the Foreign Worker Program by supplying your farm operation with experienced (veterinarians), skilled, hard working candidates. Several of our clients in Saskatchewan have had excellent results. Please visit our website www.actylcom or contact Trevor Steinke at (306) 569-7935 tsteinke@actyl.com

- Hoof Care Trimming. Modern one of a kind trimming chute. Cattle, horses, donkeys, llamas. 22 years trimming experience. Box 35, Moose Jaw, SK. Telephone (306) 694-4234; cell: (306) 631-8013.

**Miscellaneous - Wanted to Purchase**

- Milk Cooling Compressors or bulk tank with milk cooling compressors. Contact Darcy Loewen @ (306) 493-8201 or (306) 493-7631.

- Used bulk tanks, all sizes. 300-600 preferred. Abe Buhr, 18 Westcott Bay, Brandon, Manitoba R7B 2V6 Phone (204) 727-3074.

## FREQUENTLY ASKED QUESTIONS

Questions most frequently asked by producers.

***What is the maximum amount of transfer credits that I can transfer out in a month?***

The maximum transfer credits a producer can transfer out in a month are equal to what the producer's cumulative under position was in the previous month. You can only transfer out to a cumulative position of zero credits.

***What is the maximum amount of transfer credits that I can transfer in?***

There is no limit to the amount of credits that can be transferred in within a rolling 12 month period. The only limit when transferring in credits would be to not drop below the -30 credit day limit **(-20 credit days effective the end of November)** at the end of each month or you will have lost the opportunity to carry-forward those credits to produce that milk in the future.

***What is the deadline for transfer credits?***

The transfer credit deadline for any month is by midnight of the 20th. For example any transfer credit forms in the Board Office on or before midnight of January 20th will be effective January 1st.

## SMMB BOARD OF DIRECTORS

| | PHONE | EMAIL |
|---|---|---|
| Blaine McLeod - Chair | (306) 756-2775 | rb.mcleod@sasktel.net |
| Melvin Foth – Vice Chair | (306) 225-4678 | fvl@sasktel.net |
| David Entz | (306) 626-3215 | davidentz3662@gmail.com |
| Jack Ford | (306) 328-4700 | jackford@sasktel.net |
| Jason Wildeboer | (306) 249-4358 | skunkhollow@yourlink.ca |
| Isaac Klassen | (306) 249-4435 | isaac00@sasktel.net |
| Jim Ross | (306) 697-2232 | jimleeholsteins@sasktel.net |
| Juliann Lindenbach | (306) 771-2776 | robella@sasktel.net |
| Sheldon Peifer | (306) 862-9470 | dspeifer@sasktel.net |

For further information, please contact the SMMB office.

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